

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)**

IN RE: K CAPTIAL CORPORATION,	*	CHAPTER 7
Debtor.	*	Case No. 10-35540-NVA
* * * * *		
CHARLES R. GOLDSTEIN, Chapter 7 Trustee Plaintiff,	*	
v.	*	
BLACK HORSE PIKE, L.L.C., ET AL., Defendant(s).	*	A.P. No. 12-00750-NVA
* * * * *		

FIRST NOTICE OF DEFAULT

Charles R. Goldstein, the Chapter 7 Trustee (the “Trustee”) in the bankruptcy case of K Capital Corporation (the “Debtor”), by undersigned counsel, hereby files this Notice of Default, pursuant to the Court approved Settlement Agreement (defined below) between the parties. And in support thereof, the Trustee states as follows:

1. On July 3, 2018, the Trustee filed the Trustee’s Motion for Approval of Settlement and Compromise (dkt. 741) (the “Settlement Motion”) between the Trustee, Edward Tom Sennott, and Black Horse Pike, L.L.C. (the “Defendants”) in the Debtor’s main bankruptcy case (Case No. 10-35540-NVA).
2. Attached to the Settlement Motion was a fully executed copy of a certain settlement agreement dated June 29, 2018 (the “Settlement Agreement”) between the Trustee and the Defendants. Upon successful completion of the payments required by the Settlement Agreement, the Trustee would dismiss the instant adversary proceeding.
3. On August 15, 2018, this Court approved the Settlement Motion (dkt. 744).

4. The Defendants have failed to deliver the One Thousand Dollar (\$1,000.00) December 1, 2018 payment (see Section 2(vi) of the Settlement Agreement) as and when due.

5. Pursuant to Section 5 of the Settlement Agreement, the Trustee is to send written notice in the event that any payment is not delivered under Section 2. Also pursuant to Section 5 of the Settlement Agreement, the Trustee is authorized to charge a late charge of five percent (5%) of the Ten Thousand Dollar (\$10,000.00) settlement payment. The Defendants have seven (7) days (plus an additional three [3] for mailing) to fully cure the event of default described herein.

6. Therefore, if the Trustee does not receive **One Thousand Five Hundred Dollars (\$1,500.00) on or before December 27, 2018**, the Trustee shall be free to avail himself of the remedies provided in Section 8 of the Settlement Agreement, including, but not limited to, attorneys' fees, acceleration, and the confession of judgment against the Defendants.

Date: December 17, 2018

Respectfully submitted,

/s/ Alan M. Grochal
Alan M. Grochal, Bar No. 01447
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Baltimore, Maryland 21202
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Counsel for Chapter 7 Trustee

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on December 17, 2018, a copy of the foregoing Notice was sent via the Court's electronic notification system to those receiving such notice and by first class mail, postage pre-paid to:

Edward Tom Sennott
4355 Black Stump Road
Weems, VA 22576

Black Horse Pike, L.L.C.
4355 Black Stump Road
Weems, VA 22576

Daniel M. Press
Chung & Press, P.C.
6718 Whittier Avenue, Suite 200
McLean, VA 22101

/s/ Alan M. Grochal
Alan M. Grochal